

BOND INFORMATION STATEMENT

State of South Dakota

SDCL 6-8B-19

Return: Secretary of State
State Capitol
500 E. Capitol
Pierre, SD 57501-5077
TELEPHONE: # (605) 773-3537

FILING FEE: \$1.00

Every public body, authority, or agency issuing any general obligation, revenue, improvements, industrial revenue, special assessment, or other bonds of any type shall file with the Secretary of State a bond information statement concerning each issue of bonds.

1. Name of issuer: City of Sioux Falls, South Dakota
2. Designation of issue: \$23,705,000 City of Sioux Falls, South Dakota Health Facilities Revenue Bonds (Dow Rummel Village Project) Series 2002A (the "Series 2002A Bonds"), the \$3,000,000 City of Sioux Falls, South Dakota Adjustable Rate Health Facilities Revenue Bonds (Dow Rummel Village Project) Series 2002B (the "Series 2002B Bonds") and the \$1,000,000 City of Sioux Falls, South Dakota Adjustable Rate Health Facilities Revenue Bonds (Dow Rummel Village Project) Series 2002C (the "Series 2002C Bonds," and together with the Series 2002A Bonds and Series 2002B Bonds, the "Bonds")
3. Date of issue: November 26, 2002
4. Purpose of issue: Proceeds of the Series 2002 Bonds will be used to finance or refinance (i) the construction and equipping of a 60-unit independent living facility and a 35-unit assisted living facility, (ii) the renovation of approximately 74 existing residential units into 44 residential rental units and 11 assisted living rental units, including among other things, a fitness center, dining room, computer laboratories, museum, examination room and various retail services ((i) (ii) and (iii) collectively, the "Project"), (iv) the refunding of certain outstanding indebtedness of the Rummel Memorial Home, Inc. (the "Borrower"), (v) a deposit into a reserve fund (the "Reserve Fund"), (vi) funded interest on the Series 2002 Bonds through May 15, 2004 and (vii) certain costs of issuance of the Series 2002 Bonds.
5. Type of Bonds: Health Facilities Revenue Bonds
6. Principal amount and denomination of bond:

See Cover Page of Official Statement attached
hereto

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7. Paying dates of principal and interest:

See Cover Page of Official Statement attached
hereto

8. Amortization schedule:

See Cover Page of Official Statement attached
hereto

9. Interest rate or rates, including total aggregate interest cost:

See Cover Page of Official Statement attached
hereto

This is to certify that the above information pertaining to the City of Sioux Falls, South Dakota is true and correct on this 26th day of November, 2002.

ALTHEIMER & GRAY, as
Bond Counsel

By: *Dune Barker*

For further information regarding the enclosed filing, contact
Bruce A. Bonjour
Altheimer & Gray
10 South Wacker Drive
Chicago, Illinois 60606
(312) 715-4750

In the opinion of Altheimer & Gray, Bond Counsel to the Issuer, subject to compliance with certain covenants made by the Issuer and the Borrower to satisfy pertinent requirements of the Internal Revenue Code of 1986, as amended, under present law, interest on the Series 2002 Bonds is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Series 2002 Bonds will not be included as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Series 2002 Bonds will be taken into account in computing the corporate alternative minimum tax for certain corporations. In the opinion of Bond Counsel, interest on the Series 2002 Bonds is includible in gross income for South Dakota franchise tax purposes when the recipient is a banking or other financial institution as defined in South Dakota Codified Laws, Chapter 10-43. See the caption "TAX MATTERS" herein regarding a description of other tax considerations.



\$23,705,000
City of Sioux Falls, South Dakota
Health Facilities Revenue Bonds
(Dow Rummel Village Project)
Series 2002A

\$3,000,000
City of Sioux Falls, South Dakota
Adjustable Rate Health Facilities Revenue Bonds
(Dow Rummel Village Project)
Series 2002B

\$1,000,000
City of Sioux Falls, South Dakota
Adjustable Rate Health Facilities Revenue Bonds
(Dow Rummel Village Project)
Series 2002C

Dated: Date of Issue

Due: As shown on the inside front cover

The above-referenced obligations (the "Series 2002A Bonds," "Series 2002B Bonds" and "Series 2002C Bonds," respectively, and collectively, the "Series 2002 Bonds") are limited obligations of the City of Sioux Falls, South Dakota (the "Issuer") and do not constitute general obligations or a debt, liability, or pledge of the full faith and credit of the Issuer, the State of South Dakota or any political subdivision or agency thereof. The Series 2002 Bonds are not secured by or payable from any taxes, revenues or assets of the Issuer except for the Issuer's interest in the Loan Agreement and amounts held pursuant to the Indenture. Undefined capitalized terms used on this cover are defined in the text hereof or in APPENDIX D.

Pursuant to the Loan Agreement, all proceeds of the Series 2002 Bonds will be loaned by the Issuer to Rummel Memorial Home, Inc., a South Dakota nonprofit corporation (the "Borrower"). Proceeds of the Series 2002 Bonds will be used to finance or refinance (i) the construction and equipping of a 60-unit independent living facility and a 35-unit assisted living facility, (ii) the renovation of approximately 74 existing residential rental units into 44 residential rental units and 11 assisted living rental units for Alzheimer's patients, (iii) the construction and equipping of a Village Center to provide services to residents, including among other things, a fitness center, dining room, computer laboratories, museum, examination room and various retail services ((i), (ii) and (iii) collectively, the "Project"), (iv) the refunding of certain outstanding indebtedness of the Borrower, (v) a deposit into a reserve fund (the "Reserve Fund"), (vi) funded interest on the Series 2002 Bonds through May 15, 2004 and (vii) certain costs of issuance of the Series 2002 Bonds. The Series 2002 Bonds are payable solely from the moneys held for the payment thereof by The First National Bank in Sioux Falls, Sioux Falls, South Dakota, as Trustee, or its successors, under the Indenture, including amounts held in the Reserve Fund and Loan Repayments required to be made under the Loan Agreement by the Borrower. The Series 2002 Bonds are secured by a mortgage lien on and security interest in the Project, an assignment of the rents of the Project and a pledge of the revenues of the Borrower.

An investment in the Series 2002 Bonds is subject to certain risks. See "BONDHOLDERS' RISKS" herein.

The Series 2002 Bonds will be issued as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. Principal of the Series 2002 Bonds is payable at the principal corporate trust office of the Trustee, and interest on the Series 2002 Bonds, payable each May 15 and November 15, commencing May 15, 2003, will be payable on such dates by check or draft mailed to the persons shown as the registered owners of the Series 2002 Bonds on the first day of the month of each such interest payment date.

The Series 2002 Bonds, when issued, will be registered initially only in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2002 Bonds. Purchasers of the Series 2002 Bonds will not receive certificates representing their interests in the Series 2002 Bonds purchased. Ownership by the beneficial owners of the Series 2002 Bonds will be evidenced by book-entry only. Principal of and interest on the Series 2002 Bonds will be paid by the Trustee, to DTC, which in turn will remit such principal and interest payments to its participants for subsequent disbursement to the beneficial owners of Series 2002 Bonds. As long as Cede & Co. is the registered owner as nominee of DTC, payments on the Series 2002 Bonds will be made to such registered owner, and disbursement of such payments will be the responsibility of DTC and its participants. See "BOOK-ENTRY SYSTEM."

The Series 2002 Bonds are subject to mandatory, optional and extraordinary redemption and prepayment as described herein under "THE SERIES 2002 BONDS --Redemption Prior to Maturity." The Series 2002B Bonds are subject to mandatory purchase on November 15, 2007, and the Series 2002C Bonds are subject to mandatory purchase on November 15, 2005, as described herein.

The Series 2002 Bonds are offered, subject to prior sale, when, as and if accepted by the Underwriter named below and subject to an opinion as to validity and tax exemption by Altheimer & Gray, Chicago, Illinois, Bond Counsel, the approval of certain matters by Davenport, Evans, Hurwitz & Smith, L.L.P., Sioux Falls, South Dakota, as counsel to the Borrower, the approval of certain matters by Gardner, Carton & Douglas, Chicago, Illinois, as counsel to the Underwriter, the approval of certain matters by the City Attorney of the City of Sioux Falls, South Dakota, as counsel to the Issuer, and certain other conditions. It is expected that delivery of the Series 2002 Bonds will be made on or about November 26, 2002, against payment therefor, through the facilities of DTC.

This cover page contains certain information for quick reference only. It does *not* constitute a summary of the Series 2002 Bonds. Potential investors must read this entire Official Statement, including the Appendices, to obtain information essential to the making of an informed investment decision.

A.G. Edwards & Sons, Inc.

The date of this Official Statement is November 15, 2002

Maturity Schedule

\$3,255,000 Serial Series 2002A Bonds

<u>Maturity (November 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP</u>
2005	\$225,000	4.000%	100%	829566 AP 3
2006	430,000	4.125	4.250	829566 AQ 1
2007	390,000	4.500	4.550	829566 AR 9
2008	405,000	4.750	4.850	829566 AS 7
2009	420,000	5.000	100	829566 AT 5
2010	440,000	5.000	5.125	829566 AU 2
2011	460,000	5.250	5.375	829566 AV 0
2012	485,000	5.375	5.530	829566 AW 8

\$2,200,000 6.000% Term Series 2002A Bonds Due November 15, 2016 Price: 99.500% to Yield 6.053%
CUSIP: 829566 BB 3

\$5,330,000 6.625% Term Series 2002A Bonds Due November 15, 2023 Price: 98.165% to Yield 6.790%
CUSIP: 829566 AX 6

\$12,920,000 6.750% Term Series 2002A Bonds Due November 15, 2033 Price: 98.250% to Yield 6.887%
CUSIP: 829566 AY 4

\$3,000,000 4.750% Series 2002B Bonds Due November 15, 2033 - Price 100% CUSIP: 829566 AZ 1
(subject to mandatory purchase and interest rate reset on November 15, 2007)

\$1,000,000 4.125% Series 2002C Bonds Due November 15, 2033 - Price 100% CUSIP: 829566 BA 5
(subject to mandatory purchase and interest rate reset on November 15, 2005)